

Exhibit “B”

SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:	NAMED INSURED:
LBW452136R2	08/ 26/ 2016	LAWRENCE ANTHONY FINE JEWELERS

SOFAE 09-10 COMMON FORMS	SCHEDULE OF FORMS
LPG1 10-95	LLOYDS JACKET
LLOYDS1A 09-98	CERTIFICATE OF INSURANCE
LLOYDS1B 10-93	COMMERCIAL POLICY COVERAGE PART
ILO017 11-98	COMMON POLICY CONDITIONS
LMA3100 09-10	SANCTION LIMITATION AND EXCLUSION CLAUSE
LMA5020 09-05	SERVICE OF SUIT CLAUSE (USA)
LMA5021 09-05	APPLICABLE LAW (USA)
LSW1135B 06-03	LLOYD'S PRIVACY POLICY STATEMENT
MANUSCRIPTENDT 05-10	MANUSCRIPT ENDORSEMENT
NMA2915 01-01	ELECTRONIC DATA ENDORSEMENT B
STATE FORMS	
NJSLGUARANTYSTAMP	NJ-SL-GUARANTY STAMP [17:22-6.52]
JEWELERS BLOCK	
OLCOVERAGEFORM 05-08	COVERAGE FORM
JBSCHEDULE 05-08	JEWELERS BLOCK SCHEDULE
LSW1001 05-08	SEVERAL LIABILITY NOTICE
JBENDT 05-08	ENDORSEMENT
BW26 04-07	MIN EARNED PREM ENDT
CM0001 09-04	COMM INLAND MARINE COND
CUI10 06-94	GENERAL PURPOSE ENDORSEMENT
CU7	ENDORSEMENT
ILO017 11-98	COMMON POLICY CONDITIONS
ILO935 07-02	EXCL-COMPUTER-RELATED LOSSES
NMA1331 04-61	CANCELLATION CLAUSE
SIGNEDAPPLICATION	SIGNED APPLICATION

ADDITIONAL FORMS

SOFAE (09/ 10)



Lloyd's, London

This Insurance is effected with Insurance Company(s) as noted herein.

This Certificate is issued in accordance with the limited authorization granted to the Correspondent by Company(s) and in consideration of the premium specified herein, Company(s) do hereby bind themselves each for his own part, and not one for another, their heirs, executors and administrators.

The Assured is requested to read this certificate, and if not correct, return it immediately to the Correspondent for appropriate alteration.

In the event of claim under this certificate, please notify the following Correspondent:



Burns & Wilcox Ltd.

A KAUFMAN GROUP COMPANY

CERTIFICATE PROVISIONS

- 1. Signature Required.** This certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
- 2. Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those companies (hereinafter called the "Underwriters") whose names are shown on the Declarations Page.
- 3. Cancellation.** If this certificate provides for cancellation and this certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.
- 4. LSW 1001 (Insurance) Several Liability Notice.** The subscribing Insurer's obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.
- 5. Assignment.** This certificate shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.
- 6. Attached Conditions Incorporated.** This certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached, or endorsed, all of which are to be considered as incorporated herein.
- 7. Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

Short Rate Cancellation Table for Term of One Year

Days Insurance in Force	Per Cent of One Year Premium	Days Insurance in Force	Per Cent of One Year Premium	Days Insurance in Force	Per Cent of One Year Premium	Days Insurance in Force	Per Cent of One Year Premium
1.....	6%	66 - 69.....	29%	154 - 156.....	53%	256 - 260.....	77%
2.....	6	70 - 73.....	30	157 - 160.....	54	261 - 264.....	78
3 - 4.....	7	74 - 76.....	31	161 - 164.....	55	265 - 269.....	79
5 - 6.....	8	77 - 80.....	32	165 - 167.....	56	270 - 273 (9 mos.).....	80
7 - 8.....	9	81 - 83.....	33	168 - 171.....	57	274 - 278.....	81
9 - 10.....	10	84 - 87.....	34	172 - 175.....	58	279 - 282.....	82
11 - 12.....	11	88 - 91 (3 mos.).....	35	176 - 178.....	59	283 - 287.....	83
13 - 14.....	12	92 - 94.....	36	179 - 182 (6 mos.).....	60	288 - 291.....	84
15 - 16.....	13	95 - 98.....	37	183 - 187.....	61	292 - 296.....	85
17 - 18.....	14	99 - 102.....	38	188 - 191.....	62	297 - 301.....	86
19 - 20.....	15	103 - 105.....	39	192 - 196.....	63	302 - 305 (10 mos.).....	87
21 - 22.....	16	106 - 109.....	40	197 - 200.....	64	306 - 310.....	88
23 - 25.....	17	110 - 113.....	41	201 - 205.....	65	311 - 314.....	89
26 - 29.....	18	114 - 116.....	42	206 - 209.....	66	315 - 319.....	90
30 - 32 (1 mo.).....	19	117 - 120.....	43	210 - 214 (7 mos.).....	67	320 - 323.....	91
33 - 36.....	20	121 - 124 (4 mos.).....	44	215 - 218.....	68	324 - 328.....	92
37 - 40.....	21	125 - 127.....	45	219 - 223.....	69	329 - 332.....	93
41 - 43.....	22	128 - 131.....	46	224 - 228.....	70	333 - 337 (11 mos.).....	94
44 - 47.....	23	132 - 135.....	47	229 - 232.....	71	338 - 342.....	95
48 - 51.....	24	136 - 138.....	48	233 - 237.....	72	343 - 346.....	96
52 - 54.....	25	139 - 142.....	49	238 - 241.....	73	347 - 351.....	97
55 - 58.....	26	143 - 146.....	50	242 - 246 (8 mos.).....	74	352 - 355.....	98
59 - 62 (2 mos.).....	27	147 - 149.....	51	247 - 250.....	75	356 - 360.....	99
63 - 66.....	28	150 - 153 (5 mos.).....	52	251 - 255.....	76	361 - 365 (12 mos.).....	100

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for an insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
 1. Determine full annual premium as for insurance written for a term of one year.
 2. Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the policy was originally written.
 3. Add premium produced in accordance with items (1) and (2) to obtain Earned Premium during full period insurance has been in force.

Lloyd's,
London

RENEWAL OF:
LBW452136R1**CERTIFICATE OF INSURANCE**

COMMON POLICY DECLARATIONS

Certificate Number
LBW452136R2

This Declaration is attached to and forms part of certificate provisions (Form LPG1).

ITEM 1. NAMED INSURED AND MAILING ADDRESS

LAWRENCE ANTHONY FINE JEWELERS

3375 US HIGHWAY 1

LAWRENCEVILLE

NJ 08648

AGENT NAME AND ADDRESS

BURNS & WILCOX, LTD.

333 SOUTH 7TH STREET, SUITE 1300

MINNEAPOLIS

MN 55402

ITEM 2. POLICY PERIOD From: 08/26/2016

To: 08/26/2017

Term: 12 MONTHS

AUTHORITY REF. NO.

B064616RAS357

NOTICE
The coverage afforded by
this policy is **RESTRICTED**
Please read your policy
carefully.**NO FLAT CANCELLATIONS**☒ 12:01 A.M., Standard Time at your mailing address**BUSINESS DESCRIPTION:**

Insurance is effective with certain

UNDERWRITERS AT LLOYD'S, LONDON.**FORM OF BUSINESS:** ☐ Individual ☐ Joint Venture ☐ Partnership ☐ Organization ☐ Corporation ☐ LLC

Audit Period: Annual unless otherwise stated: JEWELER'S BLOCK

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS CERTIFICATE,
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS CERTIFICATE.THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS
PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Commercial Property Coverage Part - Section 1	\$ <u>NOT COVERED</u>
Commercial General Liability Coverage Part - Section 2	\$ <u>NOT COVERED</u>
Commercial Crime Coverage Part - Section 3	\$ <u>NOT COVERED</u>
Commercial Inland Marine Coverage Part - Section 4	\$ <u>NOT COVERED</u>
Professional Liability Coverage Part - Section 5	\$ <u>NOT COVERED</u>
Errors & Omissions Liability Coverage Part - Section 6	\$ <u>NOT COVERED</u>
Liquor Liability Coverage Part - Section 7	\$ <u>NOT COVERED</u>
Jeweler's Block Coverage Part - Section 8	\$ <u>5,670.00</u>
AUTO PHYSICAL DAMAGE COVERAGE PART - SECTION 9	\$ <u>NOT COVERED</u>
	\$ <u>NOT COVERED</u>

POLICY FEE \$ 175.00

TOTAL \$ 5,670.00FIRE MARSHALL TAX \$ 102.06
SURPLUS LINES TAX \$ 181.44TOTAL \$ 6,128.50

Premium shown is payable: \$ 6,128.50 at inception. \$ 6,128.50

Forms applicable to all Coverage Parts:

SEE SCHEDULE OF FORMS AND ENDORSEMENTSThis certificate of Insurance is made and accepted subject to the foregoing stipulations and conditions together with
such other provisions, agreement or conditions as may be endorsed or added hereto.

BURNS & WILCOX, LTD.

Dated at: 09/01/2016 GP/HT

By: _____
(Correspondent)

**COMMERCIAL POLICY COVERAGE PART
SUPPLEMENTAL DECLARATIONS
PARTICIPATION BY RESPECTIVE CONTRACT**

These Supplemental Declarations form a part of Certificate Number LBW452136R2

This Declaration Page is attached to and forms part of the common policy declarations.

EFFECTIVE WITH			
<u>Section</u>	<u>Company</u>	<u>Contract #</u>	<u>Amount or Percent</u>
8 - JEWELERS BLOCK	Certain Underwriters at Lloyds	B064616RAS357	100.00 %
	Certain Underwriters at Lloyds		%
	Certain Underwriters at Lloyds		%
	Certain Underwriters at Lloyds		%
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	Certain Underwriters at Lloyds		%
	Certain Underwriters at Lloyds		%
	Certain Underwriters at Lloyds		%
	Certain Underwriters at Lloyds		%

FORMS AND ENDORSEMENTS (other than applicable forms and endorsements shown elsewhere in the policy).
Forms and endorsements applying to this Coverage Part and made part of this policy at time of issue:

**THIS INSURANCE IS ISSUED PURSUANT TO
THE MINNESOTA SURPLUS LINES INSURANCE
ACT. THE INSURER IS AN ELIGIBLE SURPLUS
LINES INSURER BUT IS NOT OTHERWISE
LICENSED BY THE STATE OF MINNESOTA. IN
CASE OF INSOLVENCY, PAYMENT OF CLAIMS
IS NOT GUARANTEED.**

BURNS & WILCOX, LTD.

Dated: 08/26/2016

By: Gregory J. Price
(Correspondent)

IL 00 17 11 98

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

15/09/10
LMA3100

SERVICE OF SUIT CLAUSE (U.S.A.)

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in any Arbitration provision within this Policy. This Clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this contract of insurance (or reinsurance).

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon Mendes & Mount, 750 Seventh Avenue, New York, New York 10019-6829, U.S.A., and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

LMA5020
14/09/2005
Form approved by Lloyd's Market Association

APPLICABLE LAW (U.S.A.)

This Insurance shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of the Service of Suit Clause (U.S.A.)

14/09/2005

LMA5021

Form approved by Lloyd's Market Association

LLOYD'S PRIVACY POLICY STATEMENT

UNDERWRITERS AT LLOYD'S, LONDON

The Certain Underwriters at Lloyd's, London want you to know how we protect the confidentiality of your non-public personal information. We want you to know how and why we use and disclose the information that we have about you. The following describes our policies and practices for securing the privacy of our current and former customers.

INFORMATION WE COLLECT

The non-public personal information that we collect about you includes, but is not limited to:

- Information contained in applications or other forms that you submit to us, such as name, address, and social security number
- Information about your transactions with our affiliates or other third-parties, such as balances and payment history
- Information we receive from a consumer-reporting agency, such as credit-worthiness or credit history

INFORMATION WE DISCLOSE

We disclose the information that we have when it is necessary to provide our products and services. We may also disclose information when the law requires or permits us to do so.

CONFIDENTIALITY AND SECURITY

Only our employees and others who need the information to service your account have access to your personal information. We have measures in place to secure our paper files and computer systems.

RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION

You have a right to request access to or correction of your personal information that is in our possession.

CONTACTING US

If you have any questions about this privacy notice or would like to learn more about how we protect your privacy, please contact the agent or broker who handled this insurance. We can provide a more detailed statement of our privacy practices upon request.

LSW1135b 06/03

ENDORSEMENT
NO. A

POLICY NO.: LBW452136R2

INSURED: LAWRENCE ANTHONY FINE JEWELERS

EFFECTIVE DATE: 08/26/2016

ENTER COVERAGE PART HERE: JEWELER'S BLOCK

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WARRANT 80% OF STOCK ITEM 1A CONTAINED IN DESCRIBED LOCKED SAFE WHEN PREMISES ARE CLOSED FOR BUSINESS. A BREACH OF THIS WARRANTY NULLIFIES COVERAGE.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

ELECTRONIC DATA ENDORSEMENT B

1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

- (a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

- (b) However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils:

Explosion

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**SURPLUS LINES INSURANCE
(New Jersey)**

This insurance is Issued Pursuant to the
New Jersey Surplus Lines Law

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

JEWELERS BLOCK POLICY

(Subscribed only by Underwriting Members of Lloyd's all of whom have complied with the requirements of the Insurance Companies Act. 1958, as to security and otherwise.)

WHEREAS LAWRENCE ANTHONY FINE JEWELERS (hereinafter called "the Assured"), whose address is 3375 US HIGHWAY 1 LAWRENCEVILLE NJ 08648 and whose premises are located at 3375 US HIGHWAY 1, LAWRENCEVILLE, NJ 08648

has made to the Underwriters a written proposal and declaration dated , a signed copy of which is attached hereto and made a part hereof, and which the Assured hereby warrants to be true as to each and every statement and particular contained therein, which proposal and declaration and the particulars and statements contained therein are hereby agreed to be the basis of the Policy, and has paid \$ 5,670.00 premium to Us who have hereunto subscribed our Names.

WE THE UNDERWRITERS will indemnify the Assured in respect of Loss of or Damage to the property hereinafter mentioned during the period from 08/26/2016 to 08/26/2017

both days inclusive, as follows:

SCHEDULE OF PROPERTY AND AMOUNTS INSURED

1. The schedule of property and amounts insured is as follows, subject to the limitations and conditions hereinafter contained:

(A) On Stock (including other people's goods).....	\$	*
(B) On Money in Locked Safe at Assured's premises per endorsement(s)....	\$	*
(C) On Patterns, Molds, Models and Dies at Assured's premises, per endorsement(s).....	\$	*
(D) On Furniture, Fixtures, Machinery, Tools and Fittings at Assured's premises, per endorsement(s).....	\$	*
(E) On Assured's interest as tenant under lease or other rental agreement in Improvements and Betterments to premises, per endorsement(s).....	\$	*
Total Policy Amount		\$ *

LIMITATIONS OF LIABILITY

2. In respect of property insured under Item 1 (A) the maximum liability of the Underwriters resulting from any one loss, disaster or casualty is limited to

- (A) \$ * in respect of property at the Assured's premises as described herein;
- (B) \$ * in respect of property which is (1) in transit by first class registered mail, or railway express (subject to the stipulations of Exclusion (E) of Section 5), or by armored car service; (2) deposited in the safe or vault of a bank or safe deposit company; (3) in the custody of a dealer in property of the kind insured hereunder not employed by or associated with the Assured, but property deposited for safe keeping with such a dealer by the Assured or his or their authorized representatives while travelling is subject to the limit expressed in Clause E of this Section;
- (C) \$ * in respect of shipments by first class registered air mail or air express (subject to the stipulations of Exclusion (E) of Section 5) sent to any one addressee at any one address during any one day;
- (D) \$ * in respect of shipments in transit by customer parcel delivery service and the parcel transportation service of railroads, waterborne or air carriers and passenger bus lines (subject to the stipulations of Exclusion (E) of Section 5);
- (E) \$ * in respect of property elsewhere and not included in Clauses (A), (B), (C) and (D) of this section or otherwise limited herein.

*Please refer to the policy schedule for stated limits.

PROPERTY INSURED

3. The property insured is as follows:

- (A) Pearls, precious and semi-precious stones, jewels, jewelry, watches and watch movements, gold, silver, platinum, other precious metals, and alloys and other stock usual to the conduct of the Assured's business, owned by the Assured;
- (B) Property as above described, delivered or entrusted to the Assured by others who are not dealers in such property or otherwise engaged in the jewelry trade;
- (C) Property as above described, delivered or entrusted to the Assured by others who are dealers in such property or otherwise engaged in the jewelry trade, but only to the extent of the Assured's own actual interest therein because of money actually advanced thereon, or legal liability for loss of or damage thereto.

TERRITORIAL LIMITS

4. The property described above is covered while within or in transit between the states of the United States, District of Columbia, Puerto Rico and Canada, but subject always to the limitations, conditions, exclusions and exceptions stated herein.

CONDITIONS

5. This Policy insures against all risks of loss of or damage to the above described property arising from any cause whatsoever

EXCEPT:

- (A) Loss, damage or expense caused by or resulting from sabotage, theft, conversion or other act or omission of a dishonest character (1) on the part of the Assured or his or their employees, or (2) on the part of any person to whom the property hereby insured may be delivered or entrusted by whomsoever for any purpose whatsoever, unless such loss, damage or expense arises while the goods are deposited for safe custody by the Assured, officer of the corporation, member of the firm or salesman while traveling, or while the goods are in the custody of (a) the Post Office Department as first class registered mail, or (b) a carrier mentioned in Section 2. or (c) a person serving as a mere porter or helper not on the payroll of the Assured.
- (B) Loss or damage caused by delay, loss of market, gradual deterioration, moth, vermin, inherent vice, corrosion, rust, dampness of atmosphere, freezing or extremes of temperature or insufficient or defective packing; or damage sustained while the property is being actually worked upon and directly resulting therefrom.
- (C) Loss or damage caused by or resulting from:
 - (1) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack, (a) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military naval or air forces; or (b) by military, naval or air forces; or (c) by an agent of any such government, power, authority or forces;
 - (2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
 - (3) insurrection, rebellion revolution, civil war, usurped power, or action taken such an occurrence, seizure or destruction under quarantine or Customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.
- (D) Loss or damage occurring at the Assured's premises caused by or resulting from:
 - (1) Earthquake;
 - (2) Flood, surface water, waves, tidal wave, overflow of streams or other bodies of water or spray from any of the foregoing all whether driven by wind or not. However, if the peril of fire is not excluded hereunder this Policy will cover fire damage occurring during or resulting from perils enumerated in (1) and (2) above.

- (E) Loss or damage occurring in course of transit to shipments by:
 - (1) mail unless registered first class;
 - (2) express unless by railway express (including air division thereof) provided, however, that a package of a value of \$1,000 or more sent by the Assured, his or their officers, agents, servants or employees, is not covered unless it is sealed with wax or lead and unless a special declaration of value is made to the carrier amounting to not less than 10% of the actual value of the contents of the package. In no case need such declared value exceed \$1,000;
 - (3) railroad, waterborne or air carriers unless under receipt of their passenger parcel transportation or baggage services;
 - (4) motor carriers or truckmen other than under receipt of:
 - (a) those operating exclusively as a customer parcel delivery service;
 - (b) armoured car service;
 - (c) the parcel transportation or baggage services of passenger bus lines
- (F) Breakage of articles of a fragile or brittle nature, unless caused by fire, lightning, explosion, aircraft, vehicles, flood, earthquake, windstorm, strikers, rioters, persons taking part in labour disturbances or civil commotions, burglars, thieves or accident to the conveyance in which the property insured is being carried (but only when and to the same extent that such perils are otherwise covered under this Policy).
- (G) Loss of or damage to goods sold on the installment plan from the time they leave the Assured's custody.
- (H) Loss or damage while the property is being worn (except watches worn solely for the purpose of adjustment) by the Assured, officer of the corporation, member of the firm, director, agent, employee, servant or messenger of the Assured, or by any dealer or other person, firm or corporation engaged in the jewelry trade or by any of their officers, directors, agents, employees, servants or messengers or by any member of the family, relative or friend of the aforesaid, or while in their custody for such purpose.
- (I) Loss of or damage to property insured hereunder while in or upon any automobile, motorcycle or any other vehicle unless at the time the loss or damage occurs, there is actually in or upon such vehicle, the Assured, or a permanent employee of the Assured, or a person whose sole duty it is to attend the vehicle. This exclusion shall not apply to property in the custody of a carrier mentioned in Section 2 hereof, or in the custody of the Post Office Department as first class registered mail.
- (J) Loss of or damage to the property hereby insured while at any exhibition promoted or financially assisted by any public authority or by any trade association.
- (K) Loss of or damage to property contained in show windows at the Assured's premises by theft or attempted theft accomplished by or resulting from the smashing or cutting of such windows except as may be endorsed hereon.
- (L) Loss of or damage to property exhibited by the Assured in show cases or show windows elsewhere than at the premises of the Assured as referred to in this Policy except as may be endorsed hereon.
- (M) Unexplained loss, mysterious disappearance or loss or shortage disclosed on taking inventory. Nor shall this Policy cover any shortage in goods claimed to have been forwarded in a package when the package is received by the consignee in apparent good order with seals unbroken; nor for loss of or damage to goods when sent "C.O.D." with the privilege of inspection by the consignee before delivery.
- (N) Loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination, however, such nuclear reaction, nuclear radiation or radioactive contamination may have been caused NEVERTHELESS, if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination any loss or damage arising directly from that Fire shall (subject to the provisions of this Policy) be covered EXCLUDING, however, all loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

6. To the extent of 10% of the limit of liability state in Section 2 (A) as applicable at such premises, the Underwriters will pay for damage (except by fire) to that part of the building occupied by the Assured directly resulting from theft or any attempt thereat, provided the Assured is the owner of such premises or is legally liable for such damage; but in no event shall this Section apply to glass or to any lettering or ornamentation thereon. The Underwriters' combined liability under this Section and under Item (A) of Section 2 shall not exceed the amount of insurance shown under Item (A) of Section 2 for the premises at which such loss or damage occurs.
7. No assignment of or change of interest under this Policy shall bind the Underwriters, nor shall any change in or additions to the premises of the Assured stated in this Policy be covered hereunder, unless the consent of the Underwriters shall be endorsed hereon. No agreement, condition, or declaration of this Policy shall be waived or changed unless the consent of the Underwriters shall be endorsed hereon. No notice to or knowledge possessed by any agent or any other person shall be held to effect a waiver or change in any part of this Policy unless endorsed hereon.
8. It is a condition of this Policy that:
 - (A) The Assured will maintain a detailed and itemized inventory of his or their property and separate listing of all travellers stocks, in such manner that the exact amount of loss or damage can be accurately determined therefrom by the Underwriters.
 - (B) The assured will maintain during the life of this Policy, insofar as is within his or their control, watchmen and the protective devices as described in the written proposal and declaration attached hereto or in endorsements attached hereto.
9. (A) The Underwriters shall not be liable beyond the actual cash value of the property at the time of any loss or damage and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed the lowest figure put upon such property in the Assured's inventories, stock books, stock papers or lists existing at the time the loss or damage occurred, nor the cost to repair or replace the same with material of like kind and quality. Any antiquarian or historical value attaching to the said property shall be excluded from the estimate of loss or damage.
 (B) Claims in respect of loss of or damage to pledged articles shall be limited to the amount actually loaned and unpaid plus the interest thereon at legal rates accrued at date of loss or damage.
10. In case of loss of or damage to property of others held by the Assured, for which claim is made upon the Underwriters, the right to adjust such loss or damage with the owner or owners of the property is reserved to the Underwriters and the receipt of such owner or owners in satisfaction thereof shall be in full satisfaction of any claim of the Assured for which such payment has been made. If legal proceedings be taken to enforce a claim against the Assured as respects any such loss or damage, the Underwriters reserve the right at their option without expense to the Assured, to conduct and control the defense on behalf of and in the name of the Assured. No action of the Underwriters in such regard shall increase the liability of the Underwriters under this Policy, nor increase the limits of liability specified in Section 2 hereof.
11. It is understood and agreed that any insurance granted herein shall not cover (excepting as to the legal liability of the Assured) when there is any other insurance which would attach if this policy had not been issued, whether such insurance be in the name of the Assured or of any third party. It is however, understood and agreed that, if under the terms of such other insurance (in the absence of this Policy) the liability would be for a less amount than would have been recoverable under this Policy (in the absence of such other policy), then this Policy attaches on the difference.
12. This Insurance shall in no wise inure directly or indirectly to the benefit of any carrier or other bailee.

13. In the event of loss or damage, or of anything likely to result in a claim under this Policy, the Assured shall give immediate notice in writing to the Underwriters, protect the property from loss or damage, furnish a complete list of the lost or damaged property stating the market value and cost of each article and the amount claimed thereon; and the Assured shall within sixty (60) days after the loss or damage (unless such time is extended in writing by the Underwriters), render to the Underwriters a proof of loss signed and sworn to by the Assured, stating the knowledge and belief of the Assured as to the following: The time and cause of the loss or damage; the interest of the Assured and of all others in the property affected; the cash value of each item thereof, and the amount of loss of or damage thereto; all encumbrances thereon; all other contracts of insurance, whether valid or not, covering any of such property and shall furnish a copy of all the descriptions and schedules in all such insurance policies if required.
14. The Assured as often as may be reasonably required shall submit, and so far as is within his or their power shall cause all other persons interested in the property and members of their households and employees to submit, to examinations under oath by any persons named by the Underwriters relative to any and all matters in connection with a claim and subscribe the same; and shall produce for examination all books of account, bills, invoices, and other vouchers or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the Underwriters or their representatives and shall permit extracts and copies thereof to be made. No such examination under oath or examination of books or documents, nor any other act of the Underwriters or their representatives in connection with the investigation of any loss or damage hereunder, shall be deemed a waiver of any defense which the Underwriters might otherwise have with respect to any such loss or damage, but all such examinations and acts shall be deemed to have been made or done without prejudice to the Underwriters' liability.
15. There shall be no abandonment to the Underwriters of any property but the amount of loss or damage for which the Underwriters may be liable shall be payable thirty (30) days after satisfactory proof of loss, as herein provided, is received by the Underwriters.
16. It is understood and agreed that if in case of loss or damage the Assured shall acquire any right of action against any individual, firm or corporation for loss or damage to the property insured hereunder, the Assured will, if requested by the Underwriters, assign and transfer such claim to the Underwriters or, at the Underwriters' option, execute and deliver to the Underwriters the customary form of loan receipt upon receiving payment for loss or damage to, or will hold in trust for the Underwriters, all rights and demands of every kind, respecting the same, to the extent of the amount paid or advance, and will permit suit to be brought in the Assured's name at the expense of the Underwriters.
17. In case of any loss or damage of any kind whatsoever, it shall be lawful and necessary for the Assured or his or their factors, servants or assigns to sue, labour and travel for, in and about the defense, safeguard and recovery of the aforesaid subject matter of the Insurance or any part thereof without prejudice to this insurance or waiver of the Assured's rights hereunder.
18. No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same be commenced within twelve (12) months next after discovery by the Assured of the occurrence which gives rise to the claim. Provided, however, that if by law such limitation is invalid, then any such claims shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by law to be fixed herein.
19. It is agreed that the sum hereby insured shall be reduced by the amount of any loss or damage covered by this Policy; and that the maximum limits of liability applicable to the loss or damage shall likewise be reduced by the amount of all losses or damages. Such reductions shall take effect as of the date of the occurrence from which the loss or damage arises. The Assured and any sums paid as rewards for the recovery of insured property, or otherwise. However, the full amount insured shall be reinstated automatically and pro rata additional premium shall be payable from the date of the occurrence. Pending adjustment of any claim for loss or damage, payment of the premium for reinstatement of the amount thereof may be deferred until the amount of the loss or damage has been fixed and the precise amount of the reinstatement premium is known.

20. This Policy may be cancelled at any time at the written request of the Assured. This Policy may also be cancelled, with or without the return or lender of the unearned premium, by or on behalf of the Underwriters by mailing to the Assured at the address shown in this Policy or last known address written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice and the effective date of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the Assured or by or on behalf of the Underwriters shall be equivalent to mailing. If the Assured cancels, the earned premium shall be computed in accordance with the customary short rate table and procedure. If the Underwriters cancel, the earned premium shall be computed pro rata. Premium adjustment may be made at the time cancellation is effected and, if not then made, shall be made as soon as practicable after cancellation becomes effective.
21. If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claim hereunder shall be forfeited.

Jewelers Block - Schedule for LAWRENCE ANTHONY FINE JEWELERS

Location: 3375 US HIGHWAY 1, LAWRENCEVILLE, NJ 08648

This policy represents 100% of Total Sum Insured (Listed Below) of all Contributing Carriers.

Attached to and forming part of Policy # LBW452136R2 issued to the above named effective from 08/26/2016 until soonest of expiration or termination.

Total Sum Insured: \$ 395,000 of All Contributing Carriers

Section 1 SCHEDULE OF PROPERTY AND AMOUNTS INSURED (Subject to the limitations and conditions of this Certificate)

- 1.a. \$ 300,000 ON STOCK (including other peoples goods).
- 1.b. \$ 20,000 ON MONEY in locked safe at the Assured's premises subject to the conditions within.
- 1.c. \$ NOT INCLUDED ON PATTERNS, MOLDS, MODELS AND DIES at the Assured's premises, subject to the conditions within.
- 1.d. \$ 50,000 ON FURNITURE, FIXTURES, MACHINERY, TOOLS AND FITTINGS at the Assured's premises, subject to the conditions within.
- 1.e. \$ 10,000 On the Assured's interest as owner or tenant under lease or other rental agreement in IMPROVEMENTS AND BETTERMENTS to the premises, subject to the conditions within.

Section 2 LIMITATIONS OF LIABILITY. In respect of property insured under item 1. a, b, c, d and e above the maximum Liability of the Underwriters resulting from any one loss, disaster or casualty is limited to:

- 2.a. \$ 380,000 in respect of property at the Assured's premises as described herein:
- 2.b. \$ in respect of property which is:
 - \$ NOT INCLUDED (1) in transit by REGISTERED MAIL to any one addressee at any one address during any one day;
 - \$ NOT INCLUDED (2) in transit by ARMORED CAR service; (including special courier services of armored car or other protection companies);
 - \$ NOT INCLUDED (3) DEPOSITED in the safe or vault of a bank or safe deposit company;
 - \$ NOT INCLUDED (4) in the custody of a dealer or individual in the jewelry trade (other than commission salesmen or selling agents) not on the payroll or in the direct employ of the Assured, but property deposited for safe keeping with such a dealer or individual by the Assured, a member of the firm, or an employee on the payroll of the Assured and in his direct employ, while traveling is subject to the limit express in Clause 2.e. of this section.
- 2.c. \$ (Section 2.c. Not Available)
- 2.d. \$ NOT INCLUDED in respect of SHIPMENTS in TRANSIT by customer parcel delivery service and the parcel transportation service of railroads, waterborne or air carriers and passenger bus lines (subject to the stipulations of Condition 5.e.)
- 2.e. \$ 15,000 in respect of property elsewhere and not included in Clauses a, b and c or otherwise limited herein.

The following applies if marked by an "X":

☒ PROPERTY IN CUSTODY OF EMPLOYEES AWAY FROM PREMISES. (Applicable when policy limit 2 (E) exceeds \$5,000).

It is hereby agreed and understood that the liability of the Company for property in the custody of the Insured, any employee, member of the firm, or officer of the corporation or salesman outside the premises of the Insured (as referred to in this policy) is limited to \$5,000 unless the name of such individual(s) is/ are listed hereunder:

ANTHONY POZ
ARTHUR YAMPOLSKY

☒ PEAK SEASON COVERAGE. Effective 08/26/2016, it is hereby agreed and understood that the amount of insurance in respect of Stock under Section (1.a.) of the schedule located at the Insured's premises is increased as follows for the period of time listed below:

- 1.a. \$ 400,000 ON STOCK (including other people's goods) for the time period listed below:
Peak Season Time Period: 11/01/2016 to 03/01/2017

All other terms and conditions remain unchanged.

JB SCHEDULE 05/08

SEVERAL LIABILITY NOTICE

The subscribing Insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

TOTAL POLLUTION EXCLUSION

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure:

- a) any loss, damage, cost or expense, or
- b) any increase in insured loss, damage, cost or expense, or
- c) any loss, damage, cost, expenses, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by an agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term "any kind of seepage" or "any kind of pollution and/or contamination" as used in this Endorsement includes (but is not limited to):

- a) seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a 'hazardous material' by the United States Environmental Protection Agency or as a 'hazardous material' by the United States Department of Transportation, or defined as a 'toxic substance' by the Canadian Environmental Protection Act for the purpose of Part II of the Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and
- b) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of person or the environment.

NMA2342 (24/ 11/ 88)

WAR AND CIVIL EXCLUSION CLAUSE

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

NMA464 (01/ 01/ 38)

TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/ or to put the public, or any section of the public, in fear.

JEWELERS BLOCK ENDORSEMENT (05/ 08)

Page 1 of 2

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

NMA2920 (08/ 10/ 01)

BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

NMA2962 (06/ 02/ 03)

CONTAMINANTS, FUNGI AND INFESTATION EXCLUSION

Notwithstanding any other provision in this Policy, no coverage of any kind is afforded by this policy for any indirectly by a covered peril, resulting from rust, rot, mold or other fungi, spores, dust contamination, deterioration, pollutants, asbestos, communicable disease, or infestation of rodents, insects or any other living organism.

Further, no liability coverage or legal defense will be provided for any third party bodily injury, property damage or medical payment claim resulting from or arising out of or alleged to have resulted from or arisen out of, any such aforementioned conditions.

MINIMUM EARNED PREMIUM ENDORSEMENT

This Endorsement effective 12:01 A.M. 08/26/2016

forms a part of policy number LBW452136R2 issued to

LAWRENCE ANTHONY FINE JEWELERS

by BURNS & WILCOX, LTD.

It is hereby understood and agreed that the minimum earned premium for this policy is 25.00 %, and that such minimum earned premium is not subject to short rate or pro rata adjustment in the event of cancellation of this policy by you.

It is further understood and agreed that cancellation for non-payment of premium shall be deemed a request by you for cancellation of this policy thereby activating the foregoing minimum earned premium provision.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

COMMERCIAL INLAND MARINE
CM 00 01 09 04**COMMERCIAL INLAND MARINE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS**A. Abandonment**

There can be no abandonment of any property to us.

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.

6. We will not be liable for any part of a loss that has been paid or made good by others.

F. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. Pair, Sets Or Parts

1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will not only pay for the value of the lost or damaged part.

H. Recovered Property

If wither you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to ou for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage fo a scheduled item, in which event we will refund the unearned premium on that item.

J. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of the Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. Legal Action Against Us

No one may bring a legal action against us under this Coverage part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

2. The cost for reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

D. No Benefit To Ballee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

F. Valuation

The value of property will be the least of the following amounts:

1. The actual cash value of that property;

Jewelers Block - General Purpose Endorsement - CU-110

Page 1 of 2

This policy represents % part of 100% of Total Sum Insured of all Contributing Carriers.
 Attached to and forming part of Policy #LBW452136R2 issued to LAWRENCE ANTHONY FINE JEWELERS
 effective from 08/ 26/ 2016 until soonest of expiration or termination.

It is understood and agreed that the following endorsements marked by an "X" below are hereby made part of this Policy.
 Those endorsements not specifically marked by an "X" are hereby null and void.

[X] 1. DEDUCTIBLE CLAUSE: (N.M.A. 842)

In consideration of the reduced premium charged, each claim for loss or damage (separately occurring), except as hereinafter provided, shall be adjusted separately and from the amount of each adjusted claim or the applicable limit of liability, whichever is less, the sum of \$ 2,500 shall be deducted.

This Deductible shall not apply to loss or damage caused by fire or lightning at the premises of the insured as referred to in this policy. It is a condition of this policy that the deductible specified above of \$ 2,500 shall be solely at the risk of the insured, and shall not be covered under any other policy of insurance effected in the name of the insured.

In the event of any recovery or salvage on a loss which has been or is being or is about to be paid hereunder, such recovery or salvage shall accrue entirely to the benefit of the Underwriters under this policy until the sum paid by them has been made up.

[X] 2. NUCLEAR EXCLUSION CLAUSE.

(For use on Policies which include coverage against the Peril of Fire.) It is agreed that the following exclusion is added to the policy: This company shall not be liable for loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy; however, subject to the foregoing and all provisions of this policy, direct loss by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this policy.

[] 3. EXPRESS SHIPMENTS.

In consideration of an additional premium (included) this policy is extended to cover Federal Express, UPS, and similar overnight customer parcel delivery shipments under Section 2-D of form O (L).

This insurer agrees that as respects shipments covered as above that Conditions 5-E(2) of form O(L) is hereby waived. The insured agrees to use the approved packaging of the express carrier.

It is agreed the policy deductible shown on form CU-110, Section 1, shall apply to the above extension of coverage.

It is agreed that unless coverage is purchased for express shipments as above, no coverage shall be afforded under any section of this policy for such shipments.

[X] 4. MONEY ENDORSEMENT.

In consideration of the premium at which this policy is issued, and subject otherwise to all of its terms, conditions, exclusions, this policy is extended to cover for not exceeding \$ 20,000 .00 on money in locked safe(s) or vault(s) within that part of the building premises occupied by the insured situated:

against the risk of theft by such safe(s) or vault(s) being broken open. Thus making the total amount insured \$ 20,000 subject to each limit of liability set forth in this policy.

[X] 5. PROPERTY IN CUSTODY OF EMPLOYEES AWAY FROM PREMISES.

(Applicable when policy limit 2(E) exceeds \$5,000.)

It is hereby understood and agreed that the liability of the Company for property in the custody of the insured, any employee, member of the firm, or officer of the corporation or salesman outside the premises of the insured (as referred to in this policy) is limited to \$5,000 unless the name of such individual(s) is listed hereunder:

(See Policy Schedule for Individuals Per Location)

Jewelers Block - General Purpose Endorsement - CU-110

☒ 6. LOCKED DOOR AND SHOW CASE REQUIREMENTS.

- a. upon OPENING of premises, all entrances and exits shall be kept locked except to admit an employee or principal of the Insured, until setting out of all display stock is complete;
- b. upon CLOSING of the premises, all entrances and exits shall be locked prior to removal of stock from display areas, and shall be kept locked until all such stock is deposited in safe(s) and/or vault(s) and said safe(s) and/or vault(s) are locked and all protective devices are set;
- c. all SHOW WINDOW DOORS and CASES and WALL CASES shall be kept key locked at all times except when placing stock therein or removing therefrom. This policy does not insure against theft from a locked show window, show case or wall case unless there are visible signs of forcible entry into such window or case.

☒ 7. 2 PERSON RESTRICTION CLAUSE.

This Insurance EXCLUDES all loss or damage occurring at the Assured's premises whilst such premises are open for business and at all times when such premises are being opened or closed for business, unless, at the time such loss or damage occurs there are in attendance at least persons who are officers and/or employees of the Assured.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

CU-110 (6/94)

Page 1 of 1

Jewelers Block - Endorsement CU-7

Attached to and forming part of Policy # LBW452136R2
issued to LAWRENCE ANTHONY FINE JEWELERS
Effective from 08/26/2016 until soonest expiration or termination.

JEWELERS BLOCK POLICIES

HOTEL/ MOTEL WARRANTY

In consideration of the reduced premium at which this insurance is written, this policy excludes the loss of or damage to Jewelry Stock while on the premises of Hotels or Motels unless the stock is in the actual possession and personal supervision of the insured, employed salesperson or commission salesperson or is contained in a locked safe, vault or security room.

BAGGAGE WARRANTY

This policy excludes all loss to stock caused by loss from baggage unless in the hands of or under the personal supervision of the insured, employed salesperson or commission salesperson.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

CU-7

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COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
 - c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1) Computer hardware, including micro-processors;
 - (2) Computer application software;
 - (3) Computer operating systems and related software;
 - (4) Computer networks;
 - (5) Microprocessors (computer chips) not part of any computer system; or
 - (6) Any other computerized or electronic equipment or components; or
 - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;
- due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
- 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph A. of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss - Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss - Basic Form or the Causes Of Loss - Broad Form;
- we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs A.1.a. and A.1.b. of this endorsement to correct any deficiencies or change any features.

CANCELLATION CLAUSE

Notwithstanding anything contained in this Insurance to the contrary this Insurance may be cancelled by the Assured at any time by written notice or by surrender of this contract of insurance. This Insurance may also be cancelled by or on behalf of the Underwriters by delivering to the Assured or by mailing to the Assured, by registered, certified or other first class mail, at the Assured's address as shown in this Insurance, written notice stating when, not less than 10 days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this Insurance shall terminate at the date and hour specified in such notice.

If this Insurance shall be cancelled by the Assured the Underwriters shall retain the customary short rate proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the earned premium hereon or the customary short rate proportion of any minimum premium stipulated herein which ever is the greater.

If this Insurance shall be cancelled by or on behalf of the Underwriters the Underwriters shall retain the pro rata proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the earned premium hereon or the pro rata proportion of any minimum premium stipulated herein which ever is the greater.

Payment or tender of any unearned premium by the Underwriters shall not be a condition precedent to the effectiveness of Cancellation but such payment shall be made as soon as practicable.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

BURNS & WILCOX LTD. BLUE RIBBON PROGRAM XXVII

Burns & Wilcox Ltd.
National Underwriting Managers
and Brokers

Proposal for Jewelers' Block Policy

Please type or complete in ink. Answer all questions. If the answer to any question is none, state "NONE." If the answer is left blank or if you fail to sign and date this application it will deny your quotation.
Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or consents, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

1. a. Our firm or corporation name is: LAWRENCE Anthony Fine Jewelers
b. The names of the individual members of our firm or of the officers of our corporation are: _____
c. Our premises are located at: 3515 US Highway 1, LAWRENCE, ME, 04804
Floor _____ Street and Number _____ City _____ State _____ Zip Code _____
d. How long have you carried on business in these premises? 2 yrs Elsewhere? no
e. How many entrances are open to the general public? 1
f. How many entrances are not open to the general public? 1
g. Are all inside show cases equipped with key locks? yes
h. Are show cases kept locked during business hours except when the contents therein are actually being removed or replaced? yes
i. How are show case tops secured? built in
j. Are the premises shared with others? If "yes," state name: no
k. Give names and addresses of other locations of the Proposer and of other concerns engaged in the Jewelry Trade under the same ownership or management as the Proposer and not included in this Proposal: _____

2. NATURE OF OUR BUSINESS BASED ON SALES: Manufacturing/Repair 5 %; Wholesale 10 %; Retail 85 %; Pawnbroking 0 %

3. EMPLOYEES: a. How many employees do you have? 43
b. What is the least number of authorized persons on your premises at any time while the premises is occupied for any reason, including while opening and closing? 2

NOTE: The answers to this question as with other questions herein becomes part of the policy and is a warranty.

4. PAST FIVE YEARS EXPERIENCE:

a. Premium	Year
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____

- b. Losses: Give complete statement regarding all losses (insured and uninsured), including losses under prior ownership and at previous locations, during the past 5 years involving property covered by this form of policy, with dates, nature of loss and amount, name of insurer, all whether paid in full or otherwise and state actions taken to prevent this type of loss from reoccurring: NO LOSSES EVER

5. Within your knowledge has any insurer ever cancelled or refused to issue or to continue any insurance to you? _____
Give particulars: AMP

6. BOOKKEEPING: a. Do you retain a detailed stock inventory and keep a permanent record of purchases and sales? yes
b. How often do you take a physical stock inventory? 90 DAYS

7. Are you a member of (a) The Jewelers Security Alliance? NO (b) Jewelers Vigilance Committee? NO

8. AMOUNT(S) OF INSURANCE DESIRED AT PREMISES:

- a. On Stock (including other people's goods)
b. On Money
c. On Patterns, Molds, Models and Dies
d. On Furniture, Fixtures, Tools, Machinery and Fittings
e. On Tenant's Interest in Improvements and Betterments to Building
f. Total Amount of Insurance (at premises)

\$ 2,200,000
\$ 200,000
\$ _____
\$ 50,000
\$ 10,000
\$ _____

The amounts stated above are merely indications and are not to be considered as either increasing or diminishing amounts for which the policy is issued.

9. WHAT LIMITS DO YOU DESIRE AWAY FROM PREMISES?

- a. Registered Mail \$ _____
 [\$25,000 deductible applies]
 b. Armored Car \$ _____
 c. Safe Deposit Vault \$ _____
 *d. Property in Custody of Dealers \$ _____
 e. Independent Commission Salespeople or Selling Agents \$ _____

- **f. Merchants Parcel Delivery Services \$ _____
 g. Property in the custody of the proposer, employees and members or officers of the firm
 [1] Money \$ 5000
 [2] Stock in trade \$ 19000

* For limits over \$50,000, list the location[s] and protection on a separate sheet.

** The policy specifically excludes loss or damage to shipments by the U.S. Postal Service [including express mail] unless registered first class.

10. OPTIONAL COVERAGES AND PROVISIONS:

- a. Do you want peak season increase in your premises stock limit? ☒ Yes ☐ No
 If yes, complete time period. From XIV To March: Amount of increase by \$ 300,000 to \$ 400,000
 b. Deductible: ☐ \$1,000 ☒ \$2,500 ☐ \$5,000 ☐ \$10,000. Higher deductible available upon request. Indicate amount \$ _____
 c. Do you want coverage at exhibitions promoted or financially assisted by a public authority or trade association? ☐ Yes ☒ No
 If yes, give details listing the amount to be insured, location, dates, number of people, protection during the show and after hours and the type of transportation to and from: _____

11. OPTIONAL COVERAGES AND PROVISIONS:

- a. In the custody or control of the Proposer, Employees, Members of the Firm, Officers of the Corporation or Salespeople:
 1. In cities or towns in which the Proposer's premises are situated.

NAME	TOTAL NUMBER OF DAYS	AVERAGE AMOUNT	MAXIMUM AMOUNT
<u>Tony Pozonyakov</u>	<u>1</u>	<u>50K</u>	<u>50K</u>
<u>Lanternville NJ</u>	<u>N/A</u>		
2. Elsewhere in the states of United States, District of Columbia, Canada and Puerto Rico.			
<u>N/A</u>	<u>0</u>		
	<u>0</u>		
3. Independent Commission Salespeople			

- b. WILL ABOVE EXPOSURES MATERIALLY CHANGE IN THE COMING YEAR? NO
 IF SO, EXPLAIN: _____

- c. THE NAMES AND HOME ADDRESSES OF THE PROPOSER, EMPLOYEES, MEMBERS OF THE FIRM OR OFFICERS OF THE CORPORATION OR SALESPeOPLE who may have property in excess of \$10,000.00 in their custody or control outside of the Proposer's premises:

NAME	HOME ADDRESS
<u>Anthony Poz</u>	<u>1635 Reading Circle</u>
<u>Arthur Yampolsky</u>	<u>Huntingdon Valley</u>

- d. THE ESTIMATED AVERAGE DAILY AMOUNT OF PROPERTY IN THE CUSTODY OR CONTROL OF OTHERS dealing in the trade such as U.S. Customs, appraisers' stores, custom house brokers, repairers, processors, polishers, setters, or on approval, consignment, or memorandum [excluding commission salesmen] \$ 35,000

- e. SHIPMENTS: The TOTAL AMOUNT of property shipped during the last 12 months was:

- (1) Registered Mail \$ 500
 (2) Armored Car \$ _____
 (3) Merchants Parcel Delivery Services [including overnight express shipments other than by U.S. Postal Service] \$ _____

NOTE: Answering question 11 does not automatically include coverage. Question 9 must also be answered.

12. PROPERTY ON DISPLAY IN SHOW WINDOW[S] AT PREMISES OCCUPIED BY PROPOSER.

NOTE: Property displayed in show windows is considered "PROTECTED" only when it is displayed behind swinging plate glass (or its equivalent) secondary to window-pane or behind metal bars or grille entirely across window, or behind shatterproof (laminated or plastic) glass or in a showcase within the window. Alarm sensors on windows is not protection against smashing.

a. Number of Show windows (opening into the interior of the premises) 0 How many are protected against window smashing and how? _____

b. During the term of insurance, the maximum value displayed will not exceed:

1. in all windows
2. in any one window

c. Limit of Liability to apply

1. in all windows
2. in any one window

PREMISES OPEN TO BUSINESS

Protected	Unprotected
\$ _____	\$ _____
\$ _____	\$ _____

PREMISES CLOSED TO BUSINESS

Protected	Unprotected
\$ _____	\$ _____
\$ _____	\$ _____

13. a. PREMISES BURGLAR ALARM SYSTEM

1. Are your premises protected by a burglar alarm system? yes central station? yes or local alarm? _____
2. Name of protection company? Supreme Security
3. Underwriters Laboratories Certificate No. [Attach copy] _____ Date of expiration _____
4. If not U.L. certified, include information from the protection company showing the equipment installed, maintenance agreement and the extent the premises are protected.

b. HOLDUP ALARM AND OTHER PROTECTIVE SYSTEMS:

1. Is there a Central Station Holdup Alarm System protecting your premises? yes Number of signal buttons? 3
2. Are premises protected by a watchman service? ☐ Yes ☒ No If yes, give details: _____
3. Are premises protected by closed circuit T.V. Cameras or surveillance cameras? ☒ Yes ☐ No If yes, give details: _____
4. Do entrances have controlled access systems? ☒ Yes ☐ No If yes, give details: _____
5. Is there an anti-ambush device or early morning switch incorporated into your alarm system? ☒ Yes ☐ No If yes, give details: _____
6. Do premises have other protection which would prevent loss? ☒ Yes ☐ No If yes, give details: Mall Security

14. SAFES AND VAULTS AT PREMISES:

Give explanation of each safe or vault. Include name, make, fire and/or burglar proof rating, U.L. labels, size, weight, thickness of walls and doors and if fitted with combination lock, time lock or relocking device.

Burglar alarm system.

Central station or local system protecting safes or vaults. If not U.L. certified, give complete information from protection company.

No. 1

TL-15

Protection company name: _____

Central station? 4 or
Local alarm? _____ or
Police station connection? _____
U.L. Cert. No. [Attach Copy]: 4
Grade [AA, A, BB, B, CC or C]: _____
Expiration: _____
Extent of protection (partial or complete): _____

No. 2

TL-15

Protection Company Name: _____

Central station? 4 or
Local alarm? _____ or
Police station connection? _____
U.L. Cert. No. [Attach Copy]: 4
Grade [AA, A, BB, B, CC or C]: _____
Expiration: _____
Extent of protection (partial or complete): _____

15. SAFE AND VAULT AGREEMENT [property on premises]:

You agree to keep the following minimum proportion[s] of stock [including other people's property] by value in this safe[s] or vault[s] at all times when premises are closed.

Out of safe or vault. The following maximum proportion of stock [including other people's property] kept out of safes[s] or vault[s] will be:

Safe No. 1 50 %
Safe No. 2 50 %

TOTAL: 100%

16. SAFE DEPOSIT VAULT [away from premises]:

You agree that the minimum proportion of stock including other people's goods that is kept in a safe deposit vault of a bank, trust or safe deposit company when the premises are closed will be: _____ %

Name and location of safe deposit vault: _____

17. INVENTORIES of all Property Wherever Located

- a. The last merchandise inventory was taken on (give date): 6/1/16 and was exactly \$ 302,052
 Pawnbrokers: Show separately amount actually loaned and unpaid plus accrued interest at legal rate on (date) _____ \$ _____
- b. The previous merchandise inventory at least 6 months prior to a was taken on (give date) _____ and was exactly \$ _____
 Pawnbrokers: Show separately amount actually loaned and unpaid plus accrued interest at legal rate on (date) _____ \$ 450 K
- c. The maximum amount of our stock during the last 12 months did not exceed _____ \$ _____
 Pawnbrokers: Show separately amount actually loaned and unpaid plus accrued interest at legal rate _____ \$ _____
- d. During the last 12 months the estimated average daily amount of other people's property in our custody whether insured or uninsured, was: _____ \$ 100 K
 NOTE - This should not include property:

- A. Pledged with pawnbrokers; B. Of others in the jewelry trade deposited with the insured for safe custody only.
- e. NATURE OF STOCK AS PER LAST MERCHANDISE INVENTORY as set forth in Section 17.a. (excluding pledges):
- | | | |
|------------------------------------------------------------------------------------------|------------|---|
| 1. Loose Diamonds (Non-Industrial) | <u>5</u> | % |
| 2. Pearls natural and cultured (mounted and unmounted) | | % |
| 3. Other unset Precious Stones | | % |
| 4. Unset Semi-precious and Imitation Stones | | % |
| 5. Jewelry mounted with Diamonds or other Precious Stones | <u>50</u> | % |
| 6. Other Jewelry including costume jewelry | <u>15</u> | % |
| 7. Watches, Watch Cases, Watch Bracelets, mounted with Diamonds or other Precious Stones | <u>25</u> | % |
| 8. Other Watches, Watch Cases, Movements, Parts | | % |
| 9. Clocks (including Cases, Movements, Parts) | | % |
| 10. Wares: Silver, Pewter, Plated and Stainless Steel | <u>5</u> | % |
| 11. Jewelers' Findings, Unset Mountings, Material for Manufacture | | % |
| 12. All other Stock (Describe) | <u>100</u> | % |
| Total (must equal 100%) | | |

18. Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or omits, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

I UNDERSTAND THAT THE SIGNING AND DELIVERY OF THIS PROPOSAL DOES NOT BIND ME TO COMPLETE THE INSURANCE, NOR THE COMPANY TO ISSUE A POLICY; BUT EACH ANSWER GIVEN IN THIS PROPOSAL IS A STATEMENT OF FACT WHICH BECOMES A PART OF THE POLICY SHOULD A POLICY BE ISSUED. BY SIGNING THIS PROPOSAL, I ACKNOWLEDGE THAT I AM AWARE THAT IF AT ANY TIME IT IS DISCOVERED THAT ANY OF THE STATEMENTS OF FACT CONTAINED IN THIS PROPOSAL ARE FALSE, THE POLICY WILL BE DECLARED VOID FROM ITS INCEPTION AT THE SOLE OPTION OF THE COMPANY.

Signature of Proposer

Date

Title

Name

19. THIS SECTION TO BE COMPLETED BY THE INSURANCE AGENT

- a. The 80% co-insurance fire contents into is: 302,052
- b. The construction of the building is: wood frame
- c. Is this a single occupant? ☒ Yes ☐ No If no, describe adjoining occupancies or if a multi-story building, the occupants adjoining and those on the floors above and below: _____
- d. If multi-story, how many floors are there? _____
- e. Does building have an automatic sprinkler system? ☒ Yes ☐ No
- f. Expiration date of current Jewelers' Block Policy: 9/30/16 Current Insurer: Lloyds
- g. Inspection contract in risk: Name Long Telephone Number: 772-302-1000 (Area Code) 302
- h. The fire rate(s) set forth in this proposal for rating has or have been verified as of this date: 7/25 2016

Signature and Title

Agent or Broker

Address

BURNS & WILCOX LTD. IS NOT AN INSURER AND NEITHER IS NOR SHALL BE LIABLE FOR ANY LOSS OR CLAIM WHATSOEVER.

Burns & Wilcox Ltd, a Member Company of the F. W. Kaufman Financial Group, Inc. "Listed on AMEX (HWK)"